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Via Electronic Mail Delivery

William F. Caton, Acting Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, D.C. 20554

Re: *Ex Parte Presentation*
Automatic Roaming – WT Docket No. 00-193
Year 2000 Biennial Regulatory Review – WT Docket No. 01-108

Dear Mr. Caton:

This letter serves as notification that on this date Luisa Lancetti and Roger Sherman (representing Sprint PCS) met with Sam Feder (Senior Legal Advisor to Commissioner Kevin Martin) to discuss issues in the above-captioned proceedings. A copy of the presentation material discussed at the meeting is attached hereto.

Pursuant to Section 1.1206(b)(1) of the Commission rules, one copy of this letter is being filed with your office electronically. Please associate this letter with the files in the above-captioned proceedings.

Please contact us should you have questions concerning the foregoing.

Sincerely,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Luisa L. Lancetti

Attachment

cc: Sam Feder

The AMPS Rule and Automatic Roaming:

Critical Elements in the Operation of Essential, Ubiquitous Wireless Networks that Serve the Public Interest

(WT Docket No. 01-108 and WT Docket No. 00-193)

Sprint PCS
Ex Parte Presentation
March 7, 2002

The AMPS Rule and Automatic Roaming Are Related

◆ The two subjects are being addressed in separate dockets:

- Roaming: NPRM, WT Docket No. 00-193 (Nov. 1, 2000): Should new automatic roaming rules be adopted, and should manual roaming rule sunset?
- AMPS: 2000 Biennial Review NPRM, WT Docket No. 01-108 (May 17, 2001): Should AMPS requirement be eliminated, and if so, when?

◆ AMPS Rule and automatic roaming are related:

- Customers expect ubiquitous coverage, but no carrier alone has truly ubiquitous network. Nature of radio technology means service gaps will exist at times and in places, despite robust buildout.
- Automatic roaming is process whereby customers can easily make and receive calls when traveling off their provider's network ("off-net"). It is provided by carriers pursuant to commercial arrangement.
- AMPS remains the predominant air interface used with roaming because of limited reach of 2G digital networks and incompatibility of different 2G technologies.
- Without AMPS there would often be no roaming. Without roaming, consumers would have less ubiquitous and reliable coverage.

AMPS will be phased out as digital conversion occurs and 3G is deployed throughout the country over the next several years. The need for automatic roaming, however, will remain.

FCC Can Preserve Important Benefits of AMPS and Automatic Roaming with Minimal Regulatory Intervention

Roaming:

No new automatic roaming rules are necessary.

- ◆ Current “Enforcement when Necessary” approach -- entertain Section 208 complaints alleging violation of Sections 201/202 -- has been highly successful.
- ◆ This success depends on largest cellular carriers not being allowed to change rules of the game by discriminating against roaming consumers from certain areas.
- ◆ Manual roaming Rule 20.12(c) is of little consequence and can be allowed to sunset. Customers do not use manual roaming because it is so cumbersome (*e.g.*, registration) and deficient (*e.g.*, higher rates, no incoming calls).

AMPS Rule:

AMPS and service quality rules should be allowed to sunset only after consumer education and migration to digital technologies.

- ◆ An orderly, national transition is necessary, given the critical role that AMPS plays in providing more expansive coverage in today’s wireless marketplace. Most important step FCC can take is to establish a national sunset date so carriers can begin preparing for transition and public interest groups can begin advising constituents. Date five years from now has broad support.

The Record in Both Proceedings Demonstrates Broad Consensus in Support of Maintaining Automatic Roaming, Including “In-Market” Roaming and for Instituting a Reasonable Transition Period Before Sunset of AMPS Rule

Automatic Roaming:

- ◆ Most parties expressed support for Automatic Roaming Capability (either by current mechanism or new rule).

Verizon Wireless
U.S. Cellular
Qwest Wireless
Southern Linc Communications
CTIA
Independent Cellular Services Association

AT&T Wireless
Pacific Wireless
National Tel Cooperative Association
RCA
Sprint PCS
Western Wireless

- ◆ Verizon and Cingular alone have asked for ability to treat “in-market” roaming differently. If Verizon and Cingular are allowed to deny automatic roaming services to certain customers, the result would impact subscriber access to service and lead to consumer confusion.

Continued . . .

AMPS Rule:

- ◆ Overwhelming majority of parties favor a transition period before the AMPS rule is eliminated:

Verizon Wireless
CTIA
Rural Cellular Ass'n
Rural Telecom. Group
Sprint PCS
CenturyTel Wireless
U.S. Cellular
Mid-Missouri Cellular
Qwest Wireless
Independent Cellular Ass'n
Numerous small cellular carriers
AARP
Telecom. for the Deaf
Self Help for Hard of Hearing

Council of Organizational Representatives
National Ass'n of the Deaf
AG Bell Ass'n for the Deaf
League for the Hard of Hearing
Nat'l Ass'n of EMS Physicians
Wireless Consumers Alliance
Numerous individual consumers
OnStar Corp.
ATX Technologies
Mercedes-Benz
CaseNewHolland
Deere & Company
EDS Corp.

- ◆ Only three parties propose eliminating AMPS rule immediately:

AT&T Wireless
Cingular
Ericsson

AMPS Rule and Automatic Roaming Are Critical to Public Benefit of More Ubiquitous, Seamless Wireless Network Coverage Throughout the Nation

Consumers Recognize the Benefits of Expanded Coverage and Connectivity

- ◆ Ubiquitous “anywhere” coverage is more important to consumers than any other feature (Peter Hart Research, Feb. 2000).
- ◆ Two-thirds of customers would switch carriers for better coverage (Yankee Group, July 2000).
- ◆ Cell phones make people feel safer -- 92 percent of 1,199 consumers said “yes” when asked “Does having a cell phone make you feel safer?” (RCR News, Nov. 26, 2001).

Congress Recognizes the Public Benefit of Expansive Wireless Networks

- ◆ The “operation of seamless, ubiquitous, and reliable wireless telecommunications systems promote public safety and provide immediate and critical communications links among members of the public.” Wireless Communications & Public Safety Act of 1999, Pub. L. No. 106-81, § 2(a)(6).
- ◆ “The construction and operation of seamless, ubiquitous, reliable wireless systems serve the public interest by enhancing public safety, improving the usefulness of communications services, and facilitating interstate commerce” H.R. Rep. No. 106-25 at 9 (1999).

Continued . . .

FCC Recognizes the Essential Role of Roaming in Support of Ubiquitous Coverage

- ◆ “[W]e conclude that the availability of roaming on broadband wireless networks is important to the development of nationwide, ubiquitous, and competitive wireless voice telecommunications.” *Second CMRS Interconnection Order*, 11 FCC Rcd 9462, 9464 ¶ 2 (1996).
- ◆ “We affirm our conclusion in that order that ubiquitous roaming on CMRS systems is important to the development of a seamless, nationwide, ‘network of networks.’” *Roaming NPRM*, 15 FCC Rcd 21626, 21634 ¶ 15 (2000).

A flash-cut termination of AMPS requirement and removal of automatic roaming capability would negatively impact consumers and undermine the public benefit of critical lifeline services

AMPS/Automatic Roaming are Critical Elements of Public Safety and Personal Security

- ◆ Recent world events demonstrate importance of a reliable, ubiquitous wireless network to public safety and personal security.
- ◆ Establishment of FCC Homeland Security Policy Council recognizes linkage between communications systems -- including wireless networks -- and national security needs.
 - “With the events of September 11th, it has become imperative that the communications community come together to determine our role in ensuring homeland security. We must be aggressive in ensuring that our policies maximize the many efforts being made to make our nation safe. We will work with industry to ensure the reliability and security of our nation’s communications infrastructure.” (Chairman Powell, Press Conference of Oct. 23, 2001).
 - AMPS and automatic roaming maximize effort to create ubiquitous network given varying 2G standards and technologies and inherent limits of radio technology.
- ◆ Mobile wireless services are utilized by over 130 million Americans with AMPS users making up over 35% of subscriber base. CMRS is no longer a luxury service, but an essential means of staying in touch with work, family, and if necessary, public safety organizations.

Continued . . .

- ◆ AMPS remains dominant air interface for roaming and covers more than twice the geography of any other standard (FCC Sixth Comp. Report, App. C, Table 7). Without AMPS, there may be inadequate geographic coverage for consumers to access public safety services through their wireless device.
 - Mobile consumers would be unable to make emergency 911 calls in areas where their 2G handset is not supported.
 - AMPS is only mode providing universal wireless access to PSAPs. Phase-out of AMPS -- without a universally available replacement technology -- would impair public access to essential emergency services (Nat'l Assoc. of EMS Physicians).
 - AMPS is technology upon which private, location-based emergency response systems (*e.g.*, telematics) have been developed. These systems are of increasing importance in delivery of timely and appropriate medical care during the “golden hour” after an automobile accident (Nat'l Assoc. of EMS Physicians).
- ◆ Automatic roaming keeps consumers connected, even when travelling “off-net.” The ability to make calls without going through a cumbersome, costly and time-consuming process is important for personal security. The ability to receive calls while “off-net” -- which is not possible with manual roaming -- is critical.

Continued . . .

- Majority of customers want “safety-net” of automatic roaming, but actual minutes of use off Sprint PCS’ network are quite small.
- Provision of automatic roaming is not burdensome for underlying carrier, and is provided on commercially beneficial terms. Public interest benefit of this safety-net is clear.

Public Safety benefits of AMPS and automatic roaming (*e.g.*, access to 911, automatic crash notification, connectivity) are clearly in public interest and do not unduly burden wireless providers.

AMPS and Automatic Roaming Combine to Provide All Americans with Access to Wireless Services

- ◆ The public interest is served by provision of ubiquitous service and coverage to all consumers.
 - Deaf and hard of hearing customers who wish to use mobile phones depend on AMPS.
 - TTY/digital compatibility is closer, but still must be implemented and proven.
 - No immediate solution to the hearing aid/digital handset compatibility issue.
 - Mid-life and older Americans would be adversely affected by flash-cut elimination of AMPS.
 - Significant percentage of approximately 40 million users of analog service are consumers aged 50 and older. (AARP)
 - 54% of consumers over 65 use wireless phones; the vast majority for security. Elimination of AMPS may leave these customers without service they have come to rely upon for personal connectivity. (AARP)
- ◆ Charitable programs providing analog cellular phones to seniors or at-risk individuals could be adversely affected by elimination of AMPS. (Verizon estimates that since 1999, 70 percent of the phones donated under such plans have been analog).
- ◆ Americans from Rural Areas would be adversely, and disproportionately impacted. Shutdown of analog in urban areas -- where it is expected AMPS would be eliminated first -- could mean rural subscribers will be unable to utilize their phones when travelling to urban areas.

AMPS and Automatic Roaming are Critical Elements of Wireless Competition

- ◆ Retail CMRS market is competitive in part because new entrants have the ability to offer ubiquitous coverage through roaming arrangements, utilizing AMPS interface.
 - Issue today is not whether ubiquitous coverage (roaming) will be available, but which carrier provides the best price for its national coverage – both “on-net” and “off-net” (roaming) calls. Other than price, nationwide coverage is more important to consumers than any other feature (Telephia Q4 2001 Wireless Phone User Survey).
- ◆ If AMPS/Automatic Roaming removed, consumers would have fewer choices in the marketplace.
 - Incumbent cellular carriers might regain their dominance because they have footprint advantage compared to new entrants. Footprint advantage of incumbents is not because of special skill or innovation, but solely due to 12-to-15 year head start over new entrant licensees.
 - However, it is important to emphasize that need for automatic roaming will not dissipate with mature digital networks. Due to nature of radio technology, automatic roaming will always be a safety-net for when a call must go through.
 - AMPS rule can be eliminated after digital conversion occurs throughout the country and consumers are educated about what this change means.

Premature sunset of AMPS rule or removal of automatic roaming would reduce competition in the retail CMRS market and harm consumers.

Automatic Roaming

(WT Docket No. 00-193)

**Automatic Roaming is Essential to Consumers and Helps Provide Ubiquitous
Wireless Coverage Throughout the Nation**

Sprint PCS
Ex Parte Presentation
March 7, 2002

Roaming Today

Manual Roaming:

- ◆ All carriers required to provide by Rule 20.12(c).
- ◆ Manual roaming is so cumbersome to consumers that it is fundamentally different offering than automatic roaming (e.g., registration process, higher rates, no incoming calls). Less than 1% of all Sprint PCS roaming minutes involve manual roaming.
- ◆ FCC could eliminate manual roaming rule and very few consumers would notice. Importantly, elimination of rule would not inhibit ability to make 911 calls.

Automatic Roaming:

- ◆ FCC does not regulate though specific rule provision as with manual roaming. Instead, FCC entertains Section 208 complaints alleging violations of Sections 201/202.
- ◆ This “enforcement when necessary” approach has been highly successful: automatic roaming is widely available and the FCC has been able to act with benefit of specific factual context (with most cases settled).
- ◆ There is strong support in record for FCC to maintain the *status quo*: continue to regulate *via* Sections 201, 202 and 208. Although a handful of small carriers encourage adoption of new rules, they overlook complaint process.
- ◆ Principal area of dispute is a subset of automatic roaming market: “in market” roaming. Two largest incumbents -- Cingular and Verizon -- want FCC to eliminate any obligation to provide this capability. There is strong consensus in opposition to Cingular/Verizon position.
- ◆ In contrast to manual roaming, loss of automatic roaming would cause significant service disruptions for consumers. Moreover, distinction between in-market and out of market roaming would foster confusion and uncertainty for consumers and carriers. The FCC would have difficulty enforcing and defining what “in-market” means.

Automatic Roaming: Ubiquitous Seamless Coverage Is Important to Consumers

◆ Roaming is important to consumers:

- Ubiquitous “anywhere” coverage is more important to consumers than any other feature (Peter Hart Research, Feb. 2000).
- “Nearly three quarters of wireless phone users consider roaming to be very or somewhat important” (Strategis Group, Feb. 2000).
- Two-thirds of customers would switch carriers for better coverage (Yankee Group, July 2000).
- Despite years of cellular buildout and rapid PCS buildout, roaming is of increasing importance to mobile users. In last five years, number of roaming calls jumped fivefold: 1.3 billion calls in 1996 vs. 7.3 billion calls in 2001 (CTIA 2001 Indices Report).

- ◆ “The construction and operation of seamless, ubiquitous, reliable wireless systems serve the public interest by enhancing public safety, improving the usefulness of communications services, and facilitating interstate commerce” (Congress, H.R. Rep. No. 106-25 at 9 (1999)).
- ◆ Fully ubiquitous coverage can be offered only in conjunction with automatic roaming since no carrier has complete nationwide network coverage. Even in areas where networks are fully built, automatic roaming capability is necessary due to nature of radio technology and siting constraints.
- ◆ Given the importance of roaming to consumers and lack of impact on roaming provider network, this capability must be preserved.

Issue today is not whether ubiquitous coverage (roaming) will be available, but which carrier provides best price for its national coverage — both “on-net” and “off-net” (roaming) calls.

Wholesale Roaming Market Is Vastly Different From Retail Market

- ◆ In many areas there are only two potential roaming partners — the incumbent cellular carriers:
 - AMPS coverage is nearly universal vs. TDMA (42% of U.S.), CDMA (35%), GSM (22%) and iDEN (28%) (Sixth Report, App. C).
 - AMPS roaming is also required in “dead spots” due to radio technology issues or where carriers encounter zoning delays for additional sites.
 - Digital roaming (among compatible 2G technologies) is just beginning, as it often requires use of tri-mode phones (800 MHz AMPS, 800 MHz 2G and 1.9 GHz 2G).
- ◆ Market with only two providers is “less than fully competitive” (FCC, 10 FCC Rcd at 8845 ¶ 4), and “duopolists have substantial market power” (DoJ 1994).
 - Cellular wholesale roaming prices in same market can vary from 200% to 500%, confirming that cellular carriers understand market power they wield.
- ◆ Roaming market has become very concentrated:
 - In 1998, three largest cellular carriers served 40% of all retail AMPS customers. Today, same three carriers serve 83% of all retail AMPS customers.
 - Cellular concentration increases competition in retail market, but also increases market power in roaming market. Roaming decisions they make have much larger impacts.

**While retail CMRS market is robustly competitive,
roaming provider market is “less than fully competitive.”**

FCC's Current Approach Has Facilitated Widespread Roaming

- ◆ FCC's approach has resulted in the reliable, ubiquitous coverage demanded by mobile customers and supports increasingly important public safety and personal security purposes.
- ◆ In duopoly, cellular carriers had incentive to negotiate roaming agreements (A-side carriers entered into one set of agreements, while B-side carriers entered into separate agreements).
- ◆ Issue became more complex with PCS entry since cellular may not need reciprocal roaming for coverage. On positive side, roaming can be highly profitable business (*see* page 8).
- ◆ Roaming has flourished without specific rules, but with FCC enforcement of core Act requirements — no “unjust or unreasonable” practices and no “unreasonable discrimination” (47 U.S.C. §§ 201, 202).
- ◆ Based on Sprint PCS' experience, largest carriers have not exercised their market power because of current FCC willingness to entertain complaints.

The FCC Should Reject Attempts to Distinguish “In-Market” Roaming

- ◆ Cingular and Verizon want ability to deny “in market” roaming, although they do not define what “in-market” means (e.g., BTAs, MTAs, MSAs). Not only would such a roaming “carve-out” be difficult to achieve and enforce, it will create great consumer uncertainty, disrupt service and lead to the loss of ubiquitous coverage expected by consumers.
- ◆ Most consumer travel is local — within 20-21 mile radius of home. Network needed to support such local travel is large — 1,330 square miles (Yankee Group, July 2000). Sprint PCS uses local roaming in areas where it has not had time to extend its networks (e.g., edges of metro areas) or has encountered difficulties obtaining approval to construct towers (e.g., applications pending for two years or more).
- ◆ Even in areas where network is fully constructed, in-market roaming provides valuable “safety-net” to account for radio technology factors and areas where obtaining site approval is problematic. This safety net provides important personal/public safety lifeline.
- ◆ Even Verizon, the largest carrier, uses in-market local roaming – despite more than 15 years to build its network. In-market roaming is essential to provision of ubiquitous, seamless wireless coverage.

Preservation of in-market roaming benefits consumers and competition.

**Withdrawal of “In-Market” Roaming Would Harm Consumers
and Reduce Competition in Retail Market**

- ◆ Retail CMRS market is competitive today because carriers (including new entrants) have ability to offer ubiquitous coverage (supported by roaming agreements).
- ◆ Market data confirms many consumers are willing to switch carriers for better coverage.
- ◆ The public interest benefits of ubiquitous coverage dictate that robust roaming capabilities be preserved throughout the nation. Loss of “in-market” roaming would dramatically alter nature of mobile service. Minimal government oversight is therefore necessary to ensure maintenance of reliable, ubiquitous service.
- ◆ For many consumers, if “in market” roaming is disabled, retail market would return to days when “cellular carriers enjoyed duopoly market power, substantially free of direct competition from any other source” (FCC, 13 FCC Rcd at 16867 ¶ 21).

The need for in-market roaming goes beyond competitive issue incumbents seek to exploit. In-market roaming accounts for radio technology issues and siting constraints and establishes critical safety net for consumers -- wherever they might need to use their wireless phones.

Arguments For Disabling “In-Market” Roaming Lack Merit

1. **Myth:** In-market roaming discourages PCS buildout.

Fact: PCS carriers have been building at a record pace and facilities-based competition is flourishing:

- Sprint PCS built more cell sites in its first five years than entire cellular industry over its first 10 years.
(Entire industry: 14,740/Sprint PCS 15,227)
- In 2001, Sprint PCS averaged 270 new cell sites *per month* — even with availability of in-market roaming.
- Sprint PCS serves approximately 10% of all CMRS customers but operates over 15% of all cell sites (17,649 vs. 114,000 total).
- Carriers need their own sites to control costs, ensure service quality (e.g., avoid dropped calls), and support features (e.g., voice dialing, web access). Carriers are not incented to rely on legacy networks for providing service to customers.

2. **Myth:** PCS carriers want “free ride” on cellular investment.

Fact: As discussed above, PCS carriers have invested in facilities. Moreover, roaming is highly profitable for cellular carriers (Salomon Smith Barney, January 3, 2001):

Retail calls:	20.0¢	Average revenue per MOU
	- 11.4¢	Average network costs
	8.6¢	Margin for marketing costs & profit
Roaming calls:	44.0¢	Average roaming price
	- 11.4¢	Average network costs
	32.6¢	Profit (no marketing costs)

3. **Myth:** Limited AMPS capacity makes roaming difficult.

Fact: Largest cellular carrier disputes this unsupported assertion:

Verizon Wireless has documented that AMPS repeal “will not free up a significant amount of spectrum for other uses” and “will not have a significant effect on the availability of spectrum in the markets where additional spectrum is needed most.” WT Docket 01-108, Verizon Comments, July 2, 2001.

Summary and Recommendations

1. Societal and governmental needs suggest minimal regulatory intervention is justified to protect roaming services in order to ensure reliable, ubiquitous coverage.
2. Consumers desire “anywhere” coverage -- which requires roaming as network buildout continues.
3. “In-market” roaming is critical to preserve coverage “safety net” for all consumers. Radio technology issues may mean service gaps despite robust buildout. Difficulties (and negative court precedents) with tower siting and network construction also make in-market roaming necessary.
4. Most parties — AT&T Wireless, CTIA, Sprint PCS, Qwest, U.S. Cellular, VoiceStream — recognize that automatic roaming is in the public interest, and that FCC reliance on 201/202 and 208 is sufficient. FCC should therefore maintain *status quo* but stand ready to entertain complaints.
5. Cingular and Verizon Wireless have provided no reason for FCC to take step backwards by distinguishing “in-market” roaming. Adoption of this position will create new controversy as FCC is asked to distinguish “in-market” vs. “out-of-market” roaming. Result will be consumer confusion, service disruptions, less competition in retail CMRS market and, ultimately, more FCC involvement in this issue.

**Year 2000 Biennial Review
Elimination of AMPS Rule
(WT Docket No. 01-108)**

**An Orderly Phase-Out of the AMPS Rule Would Best Serve
Critical and Established Public Interest Benefits**

Sprint PCS
Ex Parte Presentation
March 7, 2002

AMPS is the Glue that Holds Wireless Networks Together

- ◆ Congress has found that the “operation of seamless, ubiquitous, and reliable wireless telecommunications systems promote public safety and provide immediate and critical communications links among members of the public.” Wireless Communications & Public Safety Act of 1999, Pub. L. No. 106-81, § 2(a)(6).
- ◆ AMPS remains the predominant interface for roaming, both because of its ubiquitous coverage and because of incompatible 2G interfaces:

U.S. Geographic Coverage (Sixth Report, App. C, Table 7)

AMPS	95%	iDEN	27%
TDMA	42%	GSM	22%
CDMA	35%		

- ◆ Without AMPS, consumers will be unable to make emergency 911 calls if in an area where their particular 2G handset is not supported.
- ◆ A significant base of legacy AMPS subscribers exists today. Over 40 million Americans – 38% of all mobile customers – were AMPS subscribers at the end of 2000 (Sixth Competition Report).
- ◆ The deaf and hard of hearing remain dependent on AMPS.
- ◆ Telematics and tracking systems rely on AMPS.

The Record Demonstrates Broad Consensus In Favor of Gradual Phase-Out of AMPS Requirement

- ◆ Most parties favor a transition period before the AMPS rule is eliminated:

Verizon Wireless	AARP	OnStar Corp.
CTIA	Telecom. for the Deaf	ATX Technologies
Rural Cellular Ass'n	Self Help for Hard of Hearing	Mercedes-Benz
Rural Telecom. Group	Council of Organizational Representatives	CaseNewHolland
Sprint PCS	National Ass'n of the Deaf	Deere & Company
CenturyTel Wireless	AG Bell Ass'n for the Deaf	EDS Corp.
U.S. Cellular	League for the Hard of Hearing	Independent Cellular Ass'n
Mid-Missouri Cellular	Wireless Consumers Alliance	Numerous small cellular carriers
Qwest Wireless	Numerous individual consumers	

- ◆ Only three parties seek immediate elimination of the AMPS rule:

AT&T Wireless	Cingular	Ericsson
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The Arguments in Favor of Immediate Repeal Lack Merit

- ◆ FCC should rely on market forces (Cingular):

But the business needs of a particular AMPS carrier may not coincide with the needs of AMPS dependent customers – including 911 emergency callers, legacy users, the hard of hearing, roamers and telematics service providers.

- ◆ Repeal would free up spectrum for other services (Cingular):

But the largest cellular carrier has stated that AMPS repeal “will not free up a significant amount of spectrum for other uses” and will “not have a significant effect on the availability of spectrum in the markets where additional spectrum is needed most” (Comments of Verizon Wireless at 10).

- ◆ AMPS rule discourages new entrant network buildout (AWS and Cingular):

New entrants have had at most only six years to construct and expand their networks (vs. 17 years for cellular carriers). Based on available data, Sprint PCS installed more cell sites during its first five years than the entire cellular industry installed in its first 10 years. (Entire industry: 14,740/Sprint PCS 15,227)

New entrants also face challenges that cellular carriers never faced. It currently takes almost 20 months on average for Sprint PCS to construct a new cell site (including collocations) due to delays in the zoning approval process. In some areas it takes even longer.

New entrants do not need an incentive for continued network buildout, especially given the roaming prices charged by certain cellular carriers. They need time.

A National Transition Plan Is Necessary to Maintain Ubiquitous Coverage

- ◆ Permitting each AMPS carrier to unilaterally determine when it will disable AMPS service would result in chaos – especially for roamers, AMPS legacy users, and 911 callers who will likely be unaware AMPS has been disabled in certain areas. For same reason, service quality rule (*i.e.*, 22.901) should be maintained.
- ◆ A national sunset date will facilitate the smooth transition from AMPS, because it will serve as the cornerstone for all consumer education programs.

An orderly, *national* transition is necessary, given the critical role that AMPS plays in providing expansive coverage in today's wireless marketplace

The Appropriate Sunset Date

- ◆ Many consumers will likely need an extended (five-year) transition period:
 - It will take a year or two before the public learns of and understands the sunset date;
 - Customers dependent upon AMPS (*e.g.*, OnStar users) will need time to find suitable alternatives and to adjust to new environment;
 - Customers should not be required to discard AMPS equipment prematurely.
- ◆ Hard-of-hearing groups favor a longer transition:

TTY issues should be addressed by June 2002, but there is a need for full field testing for reliability of digital services (National Association of the Deaf Reply Comments at 3). Moreover, there is no immediate solution to the hearing aid/digital handset compatibility issue. (*See* Docket No. 01-309 comments filed Jan 11, 2002)
- ◆ Telematics providers seek an even longer transition, to 2011 (AMPS installed in new vehicles through 2003; average life of vehicles is eight years).
- ◆ Roaming is currently dependent upon AMPS. Given the importance of roaming as a “safety-net” for mobile users, the AMPS rule should not be eliminated until multi-mode phones that allow for roaming on 2G networks are more widely deployed.

FCC should establish a date which will allow for an orderly AMPS migration and customer education efforts.

Core Elements of a National Transition Plan

- ◆ The most important step is for the FCC to establish a national sunset date for mandatory provision so carriers can begin preparing for transition and public interest groups can begin advising constituents.
- ◆ The FCC should retain the AMPS quality of service rule, Rule 22.901, to ensure that cellular carriers do not side-step the transition period by maintaining inadequate capacity to serve all AMPS customers.

Adoption of AMPS sunset date without corresponding quality of service standard would simply create a loophole whereby a carrier could do indirectly (provide inadequate AMPS capacity and service) what it cannot do directly (close its AMPS network altogether).

- ◆ FCC can, and should, monitor progress of AMPS migration in its annual CMRS competition reports or as part of its biennial review process.